GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:6543
ANSWERED ON:09.05.2002
LEVY ON INDIAN STEEL BY US
IQBAL AHMED SARADGI

Will the Minister of STEEL be pleased to state:

(a) whether US has finally decided to levy duty on Indian steel;

(b) if so, whether Indian delegations that had lobbied against the move have failed;

(c) if so, the extent to which the US decision to levy duty on Indian steel will affect the Indian steel exporters;

(d) whether this decision will force the Indian steel companies to have a production cut;

(e) if so, the extent to which the production will be reduced;

(f) whether any alternative is being considered; and

(g) if so, the steps, the Union Government proposed to take to help the steel companies not to cut the output?

Answer

MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)to(c): India has been excluded from the scope of safeguard measures announced by the US President against import of various categories of steel except in the category of carbon flanges. The exclusion has been possible mainly due to the efforts of the High Level Indian Delegation, which visited USA in January, 2002. The delegation was able to convince the US authorities that exports from India did not constitute more than 3% of the US market share and cumulatively, the exports from the developing countries did not constitute more than 9% of the US market share. Therefore the Indian delegation appealed for exclusion of Indian exports from the scope of safeguard measures as per article 9.1 of the WTO Agreement on Safeguards. The extent of our exports of carbon flanges to the US is not very significant. Therefore, the US decision to levy duty will have a negligible effect on Indian steel exporters.

(d)to(g): Do not arise in view of above.